TYTLER): (a) and (b) Yes, Sir.

(c) No, Sir. A length of 233 Km. has been included in the National Highway grid in Gujarat in the 7th Plan.

(d) and (e) Owing to meagre allocation of funds for Central Sector Road Programme in the 8th Plan, it is difficult to declare any new National Highway for the present.

Need to Reorient Shipping Policies of India

414. SHRI RAMDAS AGARWAL: Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether Government's attention has been drawn to a news item published in the Hindustan Times dated 4th February, 1994 captioned "Need to Re-orient Shipping Policies" in the wake of liberalization and decentralization and ongoing domestic reform in the country;

(b) whether Government are aware that the Indian Shipping Industry is facing a crisis/stiff competition amongst major maritime nations who are reported to provide cargo support to their national fleets; and

(c) if so, how long it will take for the Central Government to reorient its Shipping Policy so as to ensure a level playing field for Indian Shipping, keeping in view the prevailing international maritime environment and fast changing domestic economic reforms?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER): (a) to (c) Yes, Sir. The Government has already reviwed the shipping policy with a view to promoting the interest of Indian shipping companies. As part of the new shipping policy, a number of measures have been taken for the healthy growth of Indian shipping industry. These include:-

1. Automatic approval is now given for:—

(i) Acquisition of all categories of ships except crude tankers and OSVs, by Private Ship owning companies.

(ii) Sale of ships for further trading/ scrapping to a company within India or abroad.

(iii) Acquisition of ship from an Indian shipyards; and

(iv) Acquisition for replacement tonnage.

2. Freight charges on account of movement of fertilizer and petroleum preducts are now allowed to be paid in convertible currency on par with other commoditions.

3. Shipping companies have been given freedom to time charter out Indian ships to foreign shippping companies.

4. Shipping companies are allowed to acquire vessels through bare boat charter-cum-demise method.

5. Certain Sections fo Merchant Shipping Act were considered by foreign lenders as impediments to the enforcement of the rights of lenders in case of loan defaults and consequent requirement of foreclosure of the mortagage. These sections have now been amended, to facilitate Indian Shipping Companies to raise external commercial borrowing for foreign ship acquisitions.

The proposal relating to provide cargo support is under consideration in the Government.